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Chair

Mr. Tom Lukiwski

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● (1100)

[*English*]

The Chair (Mr. Tom Lukiwski (Moose Jaw—Lake Centre—Lanigan, CPC)): Colleagues, I'll convene the meeting now, if I may.

I want to welcome our guests from the Office of the Parliamentary Budget Officer. It's good to see you all again.

Colleagues, before we begin our opening statements and rounds of questions, I should inform all of you that since Mr. Erin Weir is no longer a permanent member of this committee, we are compelled under Standing Order 106(2) to elect a second vice-chair. The second vice-chair must be a member of the opposition, but not a member of the official opposition, since this is one of the five committees that opposition members chair. If you do the math, you'll figure out that we're down to one person, who happens not to be here, but he will end up being our committee vice-chair nonetheless, so we still need to go through the election.

Madam Ratansi, go ahead.

Ms. Yasmin Ratansi (Don Valley East, Lib.): What's their name? We cannot elect them if we don't know their name.

The Chair: It is going to be Mr. Daniel Blaikie, who is a member of this committee. That will be obvious as we go through the nomination and election process, which we are about to do right now.

Ms. Yasmin Ratansi: I was going to appoint Sheila.

The Chair: Colleagues, I will turn the presiding of this election, which will be brief, over to our clerk.

Patrick, do you want to continue?

The Clerk of the Committee (Mr. Patrick Williams): Thank you, Mr. Chair.

I am now prepared to receive a motion for the position of second vice-chair.

Ms. Yasmin Ratansi: I so move.

How about Ms. Malcolmson? We want proportional representation. Women are lacking on this committee.

An hon. member: Gender parity.

The Clerk: It has been moved by Madam Ratansi that Daniel Blaikie be elected as second vice-chair of the committee. Is it the pleasure of the committee to adopt the motion?

Some hon. members: Agreed.

The Clerk: I declare the motion carried and Daniel Blaikie duly elected second vice-chair of the committee. Thank you.

The Chair: I'm sure if he were here he'd give an acceptance speech, but we'll forgo that for now and perhaps let him speak at some future time. Thank you, colleagues.

Toward the end of our second hour, we will go to a brief in camera committee business portion of this meeting. I have only one item to deal with, and I will deal with it at that time. We'll try to keep our meeting as quick and efficient as possible. We'll have a full hour with the PBO, and only 50 minutes out of the allotted 60 minutes with the Privy Council Office, if that's all right with you.

Mr. Fréchette, I understand you have an opening statement. Following that, we'll go directly to questions. The floor is yours.

[*Translation*]

Mr. Jean-Denis Fréchette (Parliamentary Budget Officer, Office of the Parliamentary Budget Officer): Thank you, Mr. Chair.

[*English*]

As per your committee order of reference related to vote 1 under the Office of the Parliamentary Budget Officer's main estimates for 2018-19, I am glad to report that our estimates have been considered by the Speaker of the Senate and the Speaker of the House of Commons, who conducted their thorough due diligence. Following that, the PBO's CFO and DCFO—Sloane Mask—exercised oversight attesting to our budget requirements. As per parliamentary procedure, our budget has been referred to your committee for final approval.

The PBO's budget totals $7.6 million, including a total voted budgetary requirement of $7 million, as well as a statutory budget component of $600,000 to fund the employee benefits program.

The budgetary request for the PBO's first full financial cycle as an independent entity supports the fulfillment of Parliament's desire for transparent, timely, and credible electoral platform costing, in addition to funding non-recurring transition expenses to establish the office in accordance with Bill C-44. The request can be detailed as follows: a transferred appropriation from the Library of Parliament of $2.6 million for direct operating costs; $1.5 million to enhance economic, analytical, and administrative capacity; and $2.9 million for professional service and transition requirements.

[*Translation*]

For the current year, the $7 million is because of the transition to a new structure—outside the Library of Parliament—through the requirement to establish service agreements and the anticipated increase in requests from parliamentarians and parliamentary committees because of changes to our mandate.

For the next fiscal year, which also corresponds to a general election year, the amount requested will be $7 million as well, but this time mainly because of the statutory obligation to assess the cost of election platforms. Subsequently, the annual budget of the Office of the Parliamentary Budget Officer (PBO), will decline once again to $6.5 million a year. It will be constant during the first three years of the new, or the next Parliament.

As per the PBO's legislative mandate to provide impartial, independent analysis to help parliamentarians fulfill their constitutional role, which consists of holding government accountable, we published last week a report on the 2018-19 main estimates, which support the second appropriation bill for the current fiscal year. It follows the 2018-19 interim estimates, which was tabled in Parliament on February 12, 2018.

The government's expenditure plan and main estimates for 2018-19 outline $276 billion in total budgetary spending authorities. This represents an increase of approximately $18.1 billion compared to the total budgetary authorities identified last year, in 2017-18.

Statutory budgetary authorities are projected to be $163 billion in 2018-19, which is an increase of $7.2 billion compared to the total estimated statutory spending in 2017-18. Seniors' benefits and the Canada health transfer are two of the largest contributors to this increase, and are set to rise by $2.6 billion and $1.4 billion, respectively.

● (1105)

[*English*]

The federal organizations with the largest increase in their total budgetary authorities from the main estimates 2017-18 are the Treasury Board of Canada Secretariat, with $7.1 billion; Finance, with $3.8 billion; Employment and Social Development Canada, with $3.5 billion; National Defence, with $1.7 billion; and Immigration, Refugees and Citizenship Canada, with $709 million.

Finally, Mr. Chair, in November 2016, the PBO applauded the government's objective to enhance Parliament's role in upfront financial scrutiny. More recently, in our May 1 report, we said that the changes reflect an effort on the part of the government to improve alignment between the budget and the estimates. However, full reform requires that alignment to be accompanied by an alignment with parliamentary procedure, which means providing clear, specific, and transparent information to members in the object of the vote itself, which we haven't seen and therefore reported.

We welcome the statement of the President of the Treasury Board, who said that he would now correct the situation by including the table in the vote for the supply bill.

Thank you, Mr. Chair. We will be happy to answer your questions.

The Chair: Thank you very much.

We will start our questioning with Monsieur Drouin.

[*Translation*]

You have seven minutes, Mr. Drouin.

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): Thank you, Mr. Chair.

My thanks to Mr. Fréchette and his colleagues for appearing before us today.

The way the $7 billion was presented in the main estimates seems to pose a problem for you.

Can you briefly explain to me what the problem is?

Mr. Jean-Denis Fréchette: Let me go back to what I said earlier. We saw the expenditure table when the budget was announced in February. The Minister of Finance and the President of the Treasury Board have announced that this will ensure that the federal budget measures announced in February will be more in line with the main estimates. As I mentioned in my text, we welcomed this approach because it is something the minister has been asking to be done for two years.

When the supply bill was introduced, we were able to read the text of vote 40, which targeted only $7 billion, and we were a little confused. We had discussions with our colleagues in the House Administration on the procedure to follow. People all agreed that this committee was going to vote only on the $7 billion, without necessarily knowing the details of the table of measures, in which all the amounts are going to be aligned with the budget.

Therefore, we did our report and pointed out that it was not clear enough. I will use an expression that Ms. Mendes will understand: knowing is one thing, but seeing is believing. You did not see it and we did not see it either in the vote or in the description of the vote. So we said that we need a little more clarity.

● (1110)

Mr. Francis Drouin: Okay.

I'm sure you have read the article by Mr. DeVries and Mr. Clark, describing how the procedure will go forward. I do not want to seem like Guy A. Lepage, but who's telling the truth between you and Mr. DeVries and Mr. Clark, who have experience in the Department of Finance.

How can we ensure that there will be this parliamentary clarity? It is important for me and for all our colleagues to have a parliamentary oversight mechanism. What is the correct procedure to follow in the future? According to Mr. Clark and Mr. DeVries, if we follow the procedure you mentioned, the budget should be announced in November or December. Will departments have enough time to adjust?

Mr. Jean-Denis Fréchette: That's the burning question.

In their article, Mr. DeVries and Mr. Clark refer to Australia's budget. That's actually the one the President of the Treasury Board uses as a model. He has always used it. He has always said so, and we have always supported his approach.

In this particular case, they are referring to the future, to a better world, although this one is not so bad. In a perfect world, all the measures in the budget would be fully and perfectly aligned with the main estimates, as is the case in Australia, where Parliament's approval is very easy and transparent.

Mr. Francis Drouin: There is still a culture change internally, that is, in all departments, when it comes to providing that information. We knew that it was part of the negotiations with the opposition parties in order to agree on the date of April 16 for at least two years. Then we will see how the departments will adjust.

We talked about Australia's model, but Ontario and Quebec are doing the same thing.

Have you studied those models? If so, do they have the same information?

Mr. Jean-Denis Fréchette: In Quebec and Ontario, parliamentary committees do this before the budget is announced. They have clearly had discussions beforehand. Subsequently, the budget is completed to reflect that.

As I said, we have always supported the comments of the President of the Treasury Board, Minister Brison, if he really wants to align it with Australia's model. In 2012, the Standing Committee on Government Operations and Estimates made recommendations to that effect. The Office of the Parliamentary Budget Officer always respects what parliamentarians are saying. In our opinion, the model proposed by the 2012 Standing Committee on Government Operations and Estimates was a good model that should be taken even further.

Mr. Francis Drouin: Okay.

The reason why you are here is basically to talk about votes. In terms of the votes that have been requested to date, you are asking for $7 million for 2018-19.

Will that money be earmarked for the new alignment you are anticipating for next year?

Mr. Jean-Denis Fréchette: For this year, we have a transition budget. It is important to understand that we are divorcing or separating from the Library of Parliament. A divorce can be expensive.

Some hon. members: Oh, oh!

● (1115)

Mr. Jean-Denis Fréchette: I do not know anything about that, but I'm starting to realize it.

An amount of $500,000 will be used for the transition. We will have to rewrite the services we provide. The library will provide us with services, and it will be on a cost-recovery basis. The reason we are continuing with the Library of Parliament, at least for two years or until the next election, is precisely to make the transition.

We must also ensure that the next PBO—my term is coming to an end—will have the authority to change the service agreements with the library. The $500,000 will be needed to rewrite policies and service agreements. You will also have to negotiate with a union. When the new legislative requirements were imposed on us, the union followed up for a while, but now we have to start the process again. Of course, there are costs associated with that.

The following year, the $500,000 will not be used to make the transition, but rather to purchase specific data to calculate the cost of the measures in the election platforms and to provide additional support. We well know that it will be brutal—forgive the expression—to do this calculation 120 days before the election period. It must be provided in a timely fashion to all political parties individually and confidentially. We will then need help to do the translation and analyses more quickly, as well as to enter into service agreements with departments. We are negotiating with each of the departments to obtain this service.

[*English*]

The Chair: Thank you very much.

Mr. McCauley, go ahead.

Mr. Kelly McCauley (Edmonton West, CPC): Gentlemen and Ms. Mask, welcome back.

Mr. Fréchette, thank you for your service to Canada. I was disappointed to read that you would not accept another sentence to continue as PBO. I want to thank you for your work. You definitely will be missed.

I want to go right into the $7 billion that has been described as a slush fund. Considering that none of the $7 billion in table A2.11 has actually made it into the individual department plans, can we say that the estimates are properly aligned with the budget when we don't have the follow-up of the breakdown on the department plans?

Mr. Jean-Denis Fréchette: They will be, if the commitment is followed, and if the amounts that you see in table A2.11, which is in the appendix of the main estimates but is not included in the vote.... This is the main problem that we identify—

Mr. Kelly McCauley: They're not in the department plans, either.

Mr. Jean-Denis Fréchette: That is why if you can see it in your own vote 40, or the supply bill, being included annually, you will have this kind of alignment with the budget and you would be able to see it, which is what I said in French. Knowing it is something, and you certainly trust the minister, the President of the Treasury Board, but seeing it is imperative for a vote by parliamentarians.

Mr. Kelly McCauley: As I mentioned, virtually none of the $7 billion in vote 40 has made it into the individual departments. We don't know what the expected results of that $7 billion are going to be. It also doesn't go through the standard Treasury Board security before the government can start spending it. The Treasury Board's mandate says they are to "[p]rovide guidance so that resources are soundly managed across government with a focus on results and value for money." We are not going to see in the departmental plans what the proposed results would be for the $7 billion. We are also not going to see the money go through traditional Treasury Board scrutiny to see whether it is a valid program and whether we actually get value for the money.

Do you feel that this violates the Treasury Board's stated mandate of providing value and oversight for the money?

Mr. Jean-Denis Fréchette: It's certainly an improvement that they will have to come up with in the future.

Mostafa, do you want to add something?

Mr. Mostafa Askari (Deputy Parliamentary Budget Officer, Office of the Parliamentary Budget Officer): There is a trade-off here between getting the authority earlier and getting the budget measures implemented faster through this process. The normal procedure for the Treasury Board is to do the due diligence first and then come to Parliament and ask for approval. This is an issue and we raised it in our report.

Mr. Kelly McCauley: We're skipping over the Treasury Board process of scrutinizing what this money is for. We're not seeing what the results are going to be in the departmental plans. Does this fulfill the Treasury Board's mandate, in your view, of an oversight of the money and a focus on results, when we're not seeing what the results are going to be?

Mr. Mostafa Askari: That's correct for the time being, but the Treasury Board—as they say and as the minister has said—is going to do due diligence before allocating those funds to the departments. I suppose you will see the results of that process in the monthly report that the government has promised to make available to Parliament, and see how exactly they made progress on that front when they did their due diligence.

Mr. Kelly McCauley: In various reports, the PBO and the Treasury Board itself have admitted that the main problem with the alignment is the snail's pace of the government's own internal process. If the Treasury Board and the government could just address the issue that you and the President of the Treasury Board have noted, could we assume that there wouldn't be a need for the $7-billion vote that would take away parliamentary oversight and results-driven oversight?

● (1120)

Mr. Mostafa Askari: I assume that this will be the case. If that process starts earlier, with the Treasury Board and Finance collaborating on the spending budget measures, then the Treasury Board submission process could start much earlier, before the budget is actually tabled and approved. Then you wouldn't see those kinds of delays. Exactly how they can manage that is something they will have to—

Mr. Kelly McCauley: That leads to my next question. They've put through the Treasury Board process only 25% of what we did last year, so if anything, they're getting more "sclerotic", as has been quoted in the old report. We're actually going backwards, then, in speeding up the process that is causing the government to put the $7 billion into this almost fake vote in order to have access to spending. We're seeing oversight being taken away and a lack of clarity on what the results are going to be, but the government is actually going backwards in the administrative process. Does this cause you concern? If this continues, do you think we're going to end up needing a $10-billion or a $15-billion vote for the next year?

Mr. Mostafa Askari: We raised the same issue you raised in the terms of the relation to last year. The number of measures and the amount of money that was approved and went through the Treasury Board submission process were much lower this time than last year. It is a concern, but I assume the government decided that, now that they have this new instrument they want to use to align the budget and the estimates, they don't need to do that process earlier. They are going to do that once the approval is in place, and then they will do their due diligence and inform Parliament. That's my assumption. That's what they have said publicly.

Mr. Kelly McCauley: It's counterintuitive to the process of better transparency and better control.

Mr. Mostafa Askari: The main concern we raised—

Mr. Kelly McCauley: I see Mr. Fréchette laughing.

Mr. Mostafa Askari: As Mr. Fréchette said, it's that $7-billion alignment with the table in the budget, and if that change is made and the table is included in the vote, then obviously that would address the problem. There are still some other issues, though, as you mentioned.

Mr. Kelly McCauley: Thank you.

The Chair: Madam Malcolmson, welcome to the committee. You have seven minutes.

Ms. Sheila Malcolmson (Nanaimo—Ladysmith, NDP): Thank you, Mr. Chair.

Thank you to the PBO witnesses.

I'll follow up on the line of questioning that my colleague Mr. Blaikie has been pursuing. On May 3, we heard from the President of the Treasury Board in relation to the concerns expressed by the PBO. Mr. Brison said that the PBO was satisfied with the step of actually putting the items from table A2.11 into the supply bill. I want to double-check whether including those items in the supply bill, specifying both what the program is and the dollar amount, fully responds to the issues you raised in your May 1 report.

Mr. Jean-Denis Fréchette: When I spoke to the President of the Treasury Board on the phone and he told me that it was his intention to do that, I said that this would be an improvement. That was exactly my word. I also added that it was imperative, not only for parliamentarians but for PBO, that the monthly reports Mostafa alluded to—the monthly reports the Treasury Board is supposed to conduct after vetting all these budgets and as progressing over time —also be central to a better understanding of where the money is going and, back to the discussion we just had, making sure that all this money is vetted and that the Treasury Board is doing its job of being the comptroller of these budgets.

The office has maintained that it would be an improvement. Is it sufficient? Certainly it wouldn't be if the monthly reports aren't good. In the end, there will be another improvement to this procedure.

Ms. Sheila Malcolmson: I note that there was also concern about the wording of the vote itself so there be full clarity. This is such a departure from our public process of approvals in the past. Part of the concern was the wording of the vote itself and making sure it was clear. When the President of the Treasury Board talked to the committee, he did not commit to consulting with opposition parties on the wording of those changes.

Do you have any comments or concerns with regard to that concern, and do you know what the wording will be?

● (1125)

Mr. Jean-Denis Fréchette: No, I don't, because this is more of a procedural issue than a budget issue.

I mentioned in my opening remarks that having alignment between the budget and the main estimates is a good thing. Aligning that with the wording of the vote and with parliamentary procedure is imperative. Personally, I think there was some kind of bad link between this alignment and the parliamentary procedure. Not everybody understands, as you or the clerk or the parliamentary procedural people do, that sometimes what the executive wants to do isn't necessarily easy to do in parliamentary procedure.

I think the wording for vote 40 is okay as is, but you vote on one amount, $7 billion, and that's it. We've had discussions with some people who know way more than I do in terms of procedure. You can try to amend the vote, but the only thing you can amend is to reduce that amount of $7 billion, nothing else.

That's why, with the tables somewhere in the supply bill, I don't know how they will do it. I don't know the wording either, but that would help the procedure.

Ms. Sheila Malcolmson: Do you think the Treasury Board process adds value to the costing process for new programs, and that parliamentarians benefit from having the answers developed in that process available to them?

Mr. Jason Stanton (Financial Analyst, Office of the Parliamentary Budget Officer): From the tracking report we released, "Following the Dollar", roughly 31% of budget 2016 measures had either a lower amount or a higher amount than what was initially included in the budget. That difference would be related to the budget measure and the submission going through the Treasury Board for approval and scrutiny. Certainly some sort of revision and scrutiny did happen to refine those numbers.

Ms. Sheila Malcolmson: Do you believe that using one central vote, in most cases part of the Treasury Board approval, to approve funding for all the new programs announced in the budget is an appropriate way for Parliament to approve the funding? How does it compare to the regular process?

Mr. Mostafa Askari: It's certainly different from the regular process. However, as I mentioned earlier, our main concern was that the vote, as worded, did not include the details of the table that is supposed to allocate those funds. If that reference is made in the vote and it becomes part of the law, then that allocation would be according to that. As Mr. Fréchette said, that would certainly be an improvement to address the concern we had related to the allocation of funds.

You would see what you're voting on. You would see that the money will go to these departments based on the vote, and the amount is clear and certain in that table, whereas the votes right now do not make that reference. You're not voting on the allocation; you're just voting on the full amount.

Ms. Sheila Malcolmson: Thank you very much.

The Chair: Thank you.

We will now go to Madam Mendès for seven minutes.

[*Translation*]

Mrs. Alexandra Mendès (Brossard—Saint-Lambert, Lib.): Thank you, Mr. Chair.

Good morning, everyone. Thank you for being here.

I would first like to clarify one point. As I understand it, in the context of our parliamentary system, the government has to be accountable for its expenditures to the public, but that is not the case with the opposition. If the government makes a decision, the government, not the opposition, is the one that has to account for it. My comments relate to the drafting of the bill or, in this case, the vote.

Certainly the opposition would still like to have a say, but ultimately, who will be responsible for the vote?

It will be the government, will it not?

Mr. Jean-Denis Fréchette: Absolutely. It is a democratic vote, so everyone around this table and in the House of Commons has the right to vote.

Mrs. Alexandra Mendès: Absolutely, thank you.

As you have pointed out, I think the addition of the appendix will certainly clarify how those funds will be used. As we know, the funds are earmarked for new programs.

I would like your opinion on how the use of those funds will be reported monthly. You said, I think, Mr. Askari, that the reports produced monthly by the Treasury Board are still a novelty. Have you had an opportunity to look at how the department will do that? Is there already a snapshot of what the reports will look like?

● (1130)

Mr. Mostafa Askari: No, we have not seen the table. We do not know how the department wants to report the expenditures.

Mrs. Alexandra Mendès: You are talking about the new funds. Okay.

[*English*]

So you have no idea what kind of report they're going to be using.

Mr. Mostafa Askari: There's a template they have for it.

Mrs. Alexandra Mendès: Okay, they do have a template.

Mr. Mostafa Askari: However, the template does not really have the details they are going to report.

Mrs. Alexandra Mendès: Not yet.

Mr. Mostafa Askari: That's right.

Mrs. Alexandra Mendès: Okay. We do expect the Treasury Board to do their due diligence now, after the vote, before they actually allocate the funds to the departments. Is that the way the process is going to go?

Mr. Mostafa Askari: That's correct.

Mrs. Alexandra Mendès: Okay, thank you very much. That clarifies things on that issue for me.

Now let's go to your budget and your allocation for next year, which I think is what you're here for.

[*Translation*]

Sorry, I was speaking English.

If I understood correctly, Mr. Fréchette, the budget for the next two years takes into account the transition that you will be going through and for which you will have to pay. However, you are saying that, in 2019-20, if I understand correctly, you are going back to $6.5 million over a three-year period. Is it three years?

Mr. Jean-Denis Fréchette: After the 2019 election, in 2020-21, we are once again starting a three-year cycle, the first three years of Parliament, with a budget of $6.5 million. According to our business plan, that's how we are able to function.

Mrs. Alexandra Mendès: Okay. But are you not underestimating the needs that you will have?

Mr. Jean-Denis Fréchette: The business plan was built to take into account that we have a Parliament of 338 members and 105 senators, and the demands are growing. As I said, this year, the reason the amount is higher is to manage the transition, but also because we are relatively much busier than in the past years because of the Parliament of Canada Act.

The act now requires that the cost of any proposed measure be assessed. The act has been changed to use the word "shall" in English, which means we must do it. If a member of Parliament, a senator or a parliamentary committee asks us to do an analysis of the cost of a parliamentary measure, we must do so. Clearly, that's why we are going to increase our staff. Right now, we are aiming for 32 to 35 analysts, for a total of 42 people in our office. That's what it will look like in a year. We have 15 or 16 analysts right now. So we are going to double our staff and we think that, with the amount allocated, but also with this number of people, we will be able to meet the requirements of the act that tells us we have to.

Mrs. Alexandra Mendès: Okay, but it's still not a big increase compared to your traditional budget over the three years when there are no elections or transitions, is it?

Mr. Jean-Denis Fréchette: You are absolutely right, but, having said that, our office has only about 40 people. Let me add that this is also part of the criteria used, for example, by the International Monetary Fund or the Organisation for Economic Co-operation and Development (OECD) to analyze the situation in other countries where the mandate of PBOs or independent financial institutions is about the same.

In terms of resources, what is most expensive or most time-consuming is really the assessment of the cost of the measures. That's what costs the most in time, money and resources.

Mrs. Alexandra Mendès: That's what we are asking you for the most. Is it not?

Mr. Jean-Denis Fréchette: Increasingly, the trend is to assess the cost of bills, both government and private members' bills. In the case of election platforms, it's part of the legislative mandate. Clearly, it is not mandatory for political parties to ask for the cost of a measure to be calculated, but if one party does, I suspect the others will follow suit.

Mrs. Alexandra Mendès: So you have an obligation to comply with a political party's request, if need be. Is that right?

Mr. Jean-Denis Fréchette: Absolutely, and with a very limited turnaround time. The act specifies that the period begins on the 120th day before the polling date and ends the day before the date of the next general election.

● (1135)

Mrs. Alexandra Mendès: Does that mean that you can continue to do analysis throughout the election campaign period?

Mr. Jean-Denis Fréchette: It is an exception to the act. That is why I said that it posed an extremely high risk for an office like ours that is independent, yet neutral and non-partisan.

If, during the election campaign, you say that your measure will cost $500 million, but we say that it will cost $2 billion instead, you can see how this is a risky approach. Given everything that has been going on with the manipulation of information, it's not only a risk, but also the reason why we stay in the information environment of the House of Commons. That recommendation was made to ensure we are extremely well protected, and to protect your information.

[*English*]

The Chair: Thank you very much.

We have Mr. Kelly for five minutes, please.

Mr. Pat Kelly (Calgary Rocky Ridge, CPC): Thank you.

Before I begin my questions, there was something in Madam Mendès's preamble that I just thought couldn't go without comment. If I understood her correctly, she said that the government is not accountable to the opposition; it's accountable to Canadians.

Mrs. Alexandra Mendès: I said we are accountable.

Mr. Pat Kelly: Opposition members are a part of that accountability through Parliament, and the government is accountable to Parliament. In any event, perhaps I misunderstood what you said. I can look at the transcript, but I'll move on to my questions.

I want to express my respect for the work you do. I'm sure that nobody at this table would disagree that you do tremendous work on behalf of Canadians and are very helpful to us as parliamentarians in your work.

In your opening remarks, you mentioned that the President of the Treasury Board promised to include the language and the dollar figures from table A2.11 in his eventual supply bill. I understand from your answer to the other question that you've had that conversation with him.

Last Thursday, I asked him why he chose that particular moment to share with Canadians and to announce that he actually intended to do what you had suggested would be an improvement to his bill. I was particularly disappointed that his answer to that was to begin to spin a yarn about his twin four-year-old children, how they sometimes behave irrationally, and how we, as parents, sometimes placate our children who have irrational concerns.

How do you feel about that characterization? It was in fact you, among other experts, who had pointed out the shortcomings and the challenges to accountability that are presented by vote 40. He has characterized those critics as irrational and said that perhaps they could be placated by putting the language in.

Mr. Jean-Denis Fréchette: Thank you for the question. I had a journalist ask me that question, so I will quote myself. I used a French expression that has been translated as "I will not throw a tantrum about that."

Ms. Yasmin Ratansi: You're not a four-year-old.

Mr. Jean-Denis Fréchette: In French, it's "doing a bacon strip on the floor"— which is for the interpreters.

I cannot comment more than that, but the point we raised, as I mentioned in my opening remarks, was that it is the legislative mandate of the PBO to raise these kinds of issues. I was clear that we reported what we saw in the wording, and what we saw in the process.

I agree that maybe some department people are not really happy about it, but it is our legislative mandate to report that to parliamentarians, because, as you mentioned, parliamentarians vote. It's a democratic vote. Parliament votes on these budgets. Yes, with a majority, the majority will win most of the time, but it is the responsibility of the PBO to tell parliamentarians what we see in these kinds of processes.

Again, I think there was a disconnect between what the executive wanted to do—aligning the budget and the main estimates, which is a good thing—and the procedure. I think there was something they missed at some point in terms of making it happen in the procedural approach, in the parliamentary approach to that vote.

● (1140)

Mr. Pat Kelly: Okay.

Could you explain the process of how that $7 billion will be reported and show up in public accounts? Part of the concern some people have raised is that we won't actually be able to judge whether this $7 billion was spent according to the table until after the next election, if at all. Can you comment on the reporting back through public accounts?

The Chair: If you can do so in 30 seconds or less, I would appreciate it.

Mr. Jason Stanton: The current reporting that they will be updating monthly is just on the allocations, based on what has been approved by the Treasury Board. In previous public accounts, there hasn't been a specific breakdown of the dollar amounts that were actually spent based on the budget measures. I'm not aware of any specific commitments to changing how it is reported in the public accounts.

The Chair: Mr. Peterson, you have five minutes, please.

Mr. Kyle Peterson (Newmarket—Aurora, Lib.): Thank you, Mr. Chair.

Thank you, Mr. Fréchette, for being here with us today.

I just have a couple of questions on the vote 40 framework, and maybe more generally on the estimates, the timing, and the alignment.

The minister indicated on Thursday, when he was with us, that Australia is the gold standard on how to get it right. Do you agree with that?

Mr. Jean-Denis Fréchette: Absolutely.

Mr. Kyle Peterson: What is it about Australia? What features make it the right way, and what do we need to do to get closer to that gold standard?

Mr. Mostafa Askari: What they have done is integrate their estimate process with their budget process. The spending measures that are going to be in the budget have already been seen by their treasury board, and they are doing their due diligence ahead of the budget. Once a measure is announced in the budget, it's also part of the main estimates. That's the full alignment that one wants to see.

Similar things happen in some of the provinces in Canada. They do the same thing. That coordination between their treasury boards and the finance departments is there, so they can do that.

That does not happen in our case. The Treasury Board in fact starts the due diligence process after the budget is tabled, so that's where the delay comes from.

Mr. Kyle Peterson: There is room for improvement, clearly.

You talked about due diligence. You're reserving judgment, and even the minister is. The money won't flow until the due diligence is satisfactorily completed. That due diligence process, I assume, takes place on all the other expenditures.

Mr. Mostafa Askari: It takes place on all the expenditures that have to be approved by the Treasury Board, yes.

Mr. Kyle Peterson: Obviously, there are time constraints and resource constraints related to that due diligence.

I just don't know how we can make more time between budget and estimates to allow for all the processes that need to run their course and ensure that parliamentarians are making decisions with the full information in front of them.

Mr. Mostafa Askari: Well, that's what I was mentioning. If that process starts earlier, the Treasury Board is aware of the spending measures in the budget and can coordinate that with the Department of Finance, and they can then finish the due diligence process earlier so we can see those in the budget.

Mr. Kyle Peterson: I understand what you're saying now. Thank you.

I want to talk just a bit about the office itself. I know I have only a couple of minutes left. Specifically, with the new rule you're planning, as a sort of arbiter of campaign promises, do you see this as needing more resources than you already have? Are there going to be enough human and administrative resources? I know it's impossible to predict the future, but is there any way of estimating the new workload or caseload that your office may see under this new power?

Mr. Jean-Denis Fréchette: Well, we can have more people immediately. We are already hiring this year to be ready for next year, and after that it's going to be ongoing. The more money we will have every election year is really not in terms of human resources, but more in terms of additional support for translation, formatting, and access to information, because that's going to be key. If we don't have access to information, if we cannot buy data for whatever costing we will have, we won't be able to provide that service to political parties.

Will it be enough? It's going to be new for the new PBO to go through this process, and nobody knows. As I mentioned before, we don't know if political parties will submit one, two, or all the proposals in a platform. The legislation is not that clear about it. It just says "proposals", so they may come with 10 or with the two major ones in their political platform. We don't know.

However, I would say that we are 100% sure that the office of the PBO will be able to meet all the requirements and demands of political parties.

● (1145)

Mr. Kyle Peterson: In closing, I want to thank you and all of your team for your service to the Parliament of Canada. We appreciate it.

The Chair: Thank you, Mr. Peterson.

Mr. McCauley, go ahead for five minutes, please.

Mr. Kelly McCauley: Thank you, Chair.

Gentlemen and lady, vote 40, on eligible programs, includes top line items without details for "Ensuring Security and Prosperity in the Digital Age" and "Pursuing New Markets". What do these items mean to you as a financial analyst? Would you consider such a line to be detailed enough for parliamentarians to vote on and approve, or is this more aspirational language that's put in there and gets approved without oversight as to how the money is actually spent?

Mr. Mostafa Askari: Obviously, some of that description has to come through the budget process and the budget plan.

Mr. Kelly McCauley: That's actually part of the budget. Those were lines taken right from table A2.11.

Mr. Mostafa Askari: I assume the government explained exactly what the objective of those—

Mr. Kelly McCauley: Let me interrupt you there. This is part of my question to you as the experts. The government hasn't explained what it is. They just put in a line asking for many millions of dollars for pursuing new markets, and asking that it be pre-approved, without ministers coming to explain what it is or whether it is to be spent on bodies or capital or program spending. Then it will go off into the ether, and we will never see it. We've heard that it won't show up detailed in public accounts. It doesn't even show up until after the election.

As experts and financial analysts, how do you view that? Do you think that's enough information for parliamentarians?

Mr. Mostafa Askari: Certainly, the more information is provided to parliamentarians, the better it is. That's a given. If you are asking me if—

Mr. Kelly McCauley: Is "Ensuring Security in the Digital Age" enough information?

Mr. Mostafa Askari: If you're asking me whether the government has to spend the money on that specific topic or not, that's not something I can comment on. That's a policy issue.

Mr. Kelly McCauley: Do you think that's enough information for us as parliamentarians to decide whether we should vote on this?

Mr. Mostafa Askari: Again, that's something you have to decide. I can't really tell you whether there is enough information there for you or not.

Mr. Kelly McCauley: Let me ask you this. This question is for everyone. We have seen as well that $7 billion does not show up in the departmental plans, so we won't know what it's intended for, and we won't know what the intended results are. I assume, therefore, that it's not going to end up in the departmental reports with regard to what it has achieved, because it's not in the plans to begin with.

Considering the opaqueness of what this money is intended for, do you view this as a lack of accountability and lack of transparency with regard to the spending?

Mr. Mostafa Askari: Certainly. That's why we have raised the issue that we don't see these measures in the departmental plans. I have every confidence that after these are approved, in next year's departmental reports the departments will talk about and show the results of the funding they received. That's the purpose of those reports.

When it's approved and it's allocated to these departments, obviously they will have to report on those.

Mr. Kelly McCauley: I want to pop over to the budget. We've chatted about this before. I want to read a line to you. Compared to the economic statement of 2017, "direct program expenses are lower". Crown corporations' losses are better, as well as updated departmental outlooks. "Partially offsetting this, expenses related to pensions and employee future benefits are higher", etc.

I know you have asked Finance specifically for a breakdown of this that shows why program spending over the next five years is basically staying flat, in real terms, despite all this other added spending and program announcements. Have you received information about that spending or about what their plan is that you can share with us as parliamentarians?

Mr. Mostafa Askari: We received some detailed information from the finance department, but they stamped that "confidential", so we cannot share it with you.

Mr. Kelly McCauley: This is a line right from the budget. Do you know why public spending information would be confidential and why it cannot be shared with parliamentarians?

● (1150)

Mr. Mostafa Askari: I don't really know that. We raised the same issue with the Department of Finance. They could not really provide an answer to us as to why the information is confidential.

Our obligation is that if we receive confidential information, we have to keep it confidential, so unfortunately we cannot share that with you.

Mr. Kelly McCauley: I understand that. I'm just flabbergasted as to why public information such as that on program spending that's noted in the document cannot be shared with parliamentarians or Canadians at large. It strikes me as the exact opposite of open by default—maybe opaque by default.

Very quickly, I have one last question—

The Chair: Unfortunately, Mr. McCauley, your question will have to go unasked.

We're going to Madam Ratansi for five minutes, please.

Ms. Yasmin Ratansi: Thank you, all, for coming.

I need a bit of clarification.

My colleague asked if Australia is the gold standard, and you said yes, because it has integrated the estimates and the budget process. You referred to the 2012 recommendations by OGGO. Out of the 16 recommendations, we're still talking about the same things: accrual accounting, integration, etc., so we haven't really moved forward. The Treasury Board president has taken a bold step in pushing the agenda, and for that he should be thanked. He's at least trying it. We cannot be the naysayers saying that it doesn't happen, that it shouldn't happen, or that we're still falling short. Yes, we are falling short, but it is a step in the right direction.

The Treasury Board president has instituted many measures to align it. He gave us the interim estimates on March 1, and then the main estimates on April 16. I'm an accountant by profession, so when I look at a main estimate and it doesn't make sense to me when I'm voting on it, it is frustrating. I can appreciate the consideration that you guys have, because in 2009 some of the line items that were meant for G20 went into building gazebos for the then Treasury Board president's riding. I can understand it. We are all very skeptical.

My question is about the A2.11 attachment, which lays out a detailed, line-by-line allocation that the Auditor General says is legally binding for the government. Why is there a conflict between your interpretation of what this does and that of the Auditor General, when the Auditor General actually sits down with Finance, determines how money is going to be allocated, and then does the audit? I am a little confused. Can you help me out?

Mr. Jean-Denis Fréchette: The Auditor General said the process was okay, so basically the Treasury Board followed the proper process. I'm not sure the Auditor General looked at parliamentary procedure. Everything you mentioned is correct. Back in November 2016, we supported the announcement that they would align it. In our report last week, we said that this was a good approach. We recognize the effort on the part of the government to improve the alignment.

What I said was that it seems that at one point, when the supply bill and the vote hit Parliament, there was something that did not follow. The alignment of the budget and the main estimates did not follow the alignment with the proper procedure of the House of Commons and Parliament. That's what I said.

Ms. Yasmin Ratansi: What is that, specifically?

Mr. Jean-Denis Fréchette: That is the annex you mentioned. It's in the annex; it's not in the supply bill. In the supply bill, under vote 40, the only thing you have is $7 billion. A2.11 is in the annex, not only of the budget in February, but of the main estimates. There's no reference to vote 40 in that. The minister said it is related to that, because it is A2.11.

As I said, if you say it, you can believe it, but if you see it, it's better. That's my point here.

Ms. Yasmin Ratansi: If he attaches A2.11 to the main estimates, then would it be more transparent?

Mr. Jean-Denis Fréchette: If it's included, yes, it would be. It's an improvement. It's going to be clearer. As Mostafa said, and as I said before, you will vote on $7 billion. You still won't be able to do anything other than reduce it or vote in favour of the $7 billion, but at least, per your vote and the vote of all the parties, you will have this table included in the supply bill, and you will know you're voting on $7 billion and the table says it goes there. Whether or not it will go exactly there is another matter, but at least the government is bound to do that.

● (1155)

Ms. Yasmin Ratansi: I have the attachment with me, so it is a public document as far as I'm concerned. Where is the confusion? It's not a slush fund. I know exactly where the money is going, and it's line by line. I used to do bottom-line budgeting, and bottom-line budgeting allows people to manipulate the monies, as they did in the previous Conservative government. Help me out. I am a little confused as to what the problem is.

The Chair: I'm afraid his assistance will have to go for another time, unless Madam Malcolmson wants to pick up on your question.

Madam Malcolmson, you have three minutes and then we'll have to suspend for our next witnesses to approach the table.

Ms. Sheila Malcolmson: I would love to hear the answer to that. What is the problem? Let's say it one more time.

Mr. Mostafa Askari: Again, I think you have to separate the body of the main estimates document from the appropriation bill. The appropriation bill is the legal document that you vote on, and that's the one that determines what the government can and cannot do.

If the appropriation bill does not make any reference to the table you mentioned, then that's not binding for the government. If that reference is included in the bill, then it would be binding. Really, on the final assessment of the bill I have to defer to experts on procedure in the House of Commons and see exactly how they interpret that. We talked to them, and that's exactly what they told us, that the way the vote is worded does not compel the government to follow that table, because that table is not referenced in the vote.

Mr. Jean-Denis Fréchette: If you look at the table in annex 2 of the main estimates, you have all the votes and all the allocations there. It's there.

At one point, under Treasury Board, you will have vote 40, Treasury Board, $7 billion. The only relationship to table A2.11 is the total, $7 billion, but there's no vote here.

It's a matter of trusting that it is related to the other. That's the only point that we're making. As Mostafa said, it is also the point that the clerk and the procedure people told us. There is no mention and, therefore, they don't know if it's bound to that A2.11 table.

Ms. Yasmin Ratansi: Thank you.

The Chair: You have about one minute left, Ms. Malcolmson.

Ms. Sheila Malcolmson: The wording of the vote is already set in the main estimates. It refers to budget initiatives and doesn't yet refer to the table. When the vote on the $7 billion comes to Parliament, what should parliamentarians look for, as far as the wording is concerned, which the executive will change?

Mr. Mostafa Askari: There has to be a reference in vote 40 to that table specifically. That's what you're voting on. You're voting that this $7 billion is attached to that table. Otherwise, from what we have heard from the experts, that would not be binding.

The Chair: Thank you very much, Mr. Askari.

Gentlemen and lady, thank you so much again for being here.

Mr. Fréchette, on behalf of all of us at this table, thank you very much for all of your contributions, not only to Parliament but to the country. Your presence will be missed. We wish you great success in all of your future endeavours. Thank you again.

Colleagues, we will suspend for a couple of minutes while the PCO officials come to the table.

● _____ (Pause) _____

●

● (1200)

The Chair: Colleagues, we will convene once again.

I want to welcome the officials from the Privy Council Office who are with us here today.

Mr. Shea, I understand that you have a brief opening statement, and that will be followed by questions from our committee members. As I mentioned to colleagues at the outset of this meeting, I will be suspending at approximately 10 minutes to 1 o'clock so we can have a very brief committee business session, which will be in camera.

Mr. Shea, you have about 50 minutes. That will include both your opening statement and questions. The floor is yours, sir.

[*Translation*]

Mr. Matthew Shea (Chief Financial Officer and Assistant Deputy Minister, Corporate Services, Privy Council Office): Good afternoon, Mr. Chair and members of the committee. Thank you for inviting the Privy Council Office, the PCO, to review our 2018-19 main estimates and departmental plan.

[*English*]

My name is Matthew Shea. I am the Assistant Deputy Minister of Corporate Services and the Chief Financial Officer of PCO.

I am accompanied today by Ms. Marian Campbell Jarvis, Assistant Secretary to the Cabinet, Social Development Policy; Mr. Shawn Tupper, Assistant Secretary to the Cabinet, Economic and Regional Development Policy; and Mr. Rodney Ghali, Assistant Secretary to the Cabinet, Impact and Innovation Unit in the Privy Council Office.

[*Translation*]

As you know, the mandate of the PCO is to serve Canada and Canadians by providing professional, non-partisan advice and support to the Prime Minister and the ministers within his portfolio, and to support the effective operation of cabinet.

[*English*]

PCO supports the advancement of the Government of Canada's policy, legislative, and government administration agendas and coordinates responses to issues facing the government and the country.

[*Translation*]

The head of the PCO is the Clerk of the Privy Council. The clerk also acts as secretary to the cabinet and head of the public service.

[*English*]

PCO has three main goals: to provide non-partisan advice and support to the Prime Minister, portfolio ministers, cabinet, and cabinet committees on matters of national and international importance, including policy, legislative, and government administration issues faced by the government; to serve as a secretariat to the cabinet and all of its committees, with the exception of the Treasury Board committee, which is supported by the Treasury Board of Canada Secretariat; and to foster a high-performing and accountable public service.

● (1205)

[*Translation*]

Like the Department of Finance and the Treasury Board of Canada Secretariat, the PCO is a central agency, and it exercises a leadership role across government departments and agencies to provide advice to the Prime Minister and cabinet as well as to ensure the coherence and coordination of policy development and delivery.

[*English*]

I'd like to begin with a brief overview of the 2018-19 main estimates and the 2018-19 departmental plan. PCO is seeking $166.4 million overall for its core responsibility, which is to serve the Prime Minister and cabinet, and for its internal services.

PCO will coordinate the government's efforts to deliver policy and initiatives by using a whole-of-government approach. This will include strengthening diversity and inclusion, including support to the special adviser to the Prime Minister on LGBTQ2 issues and ensuring that perspectives of transgender, non-binary, and two-spirit Canadians inform the Government of Canada's collection, use, and display of sex and gender information.

It will also include reviewing relationships with Canada's indigenous peoples and aiding the working group of ministers' review of laws and policies, as well as the National Inquiry into Missing and Murdered Indigenous Women and Girls, as part of Canada's continuing effort to advance reconciliation, as well as bilaterally and multilaterally collaborating with provinces and territories on key priority areas in order to maintain and advance intergovernmental relations.

It will include ensuring that Canada has an open and accountable government, in part through regular non-partisan updates on the status of ministerial mandate letter commitments posted on the mandate letter tracker website and by supporting the government's commitment to open, transparent, and merit-based selection processes for Senate and GIC appointments.

It will also include coordinating and supporting international trade negotiations, including NAFTA, as well as supporting the Prime Minister's international travel and participation in summit-level meetings; coordinating the development of legislation and policies with regard to national security and intelligence, and responding to global concerns and threats to exports, investments, and the safety and security of Canadians; public service renewal and modernization, including the innovative impact Canada initiative and a commitment to the advancement of healthy workplaces that promote diversity and inclusion, are free from harassment and bullying, and foster innovation; and, finally, improving, strengthening, and protecting Canada's democratic institutions by supporting initiatives relating to political party leaders' debates, the elections modernization act, and political fundraisers.

[*Translation*]

We will continue to support the Prime Minister in his role as Minister of Intergovernmental Affairs and Youth, and coordinate the development of policy informed by engagement with youth and youth-serving organizations, in partnership with the Prime Minister's Youth Council.

[*English*]

As part of ongoing modernization efforts, we will measure performance using the departmental results framework, an approach that will focus on results rather than activities. We will also employ such analytical tools as gender-based analysis to assess policy and program implications for women, men, and gender-diverse people.

We will continue to replace and upgrade current IT infrastructure and systems as part of our information management and information technology project.

This brief summary of PCO's 2018-19 departmental plan touches on a few of the means by which PCO will continue to support the clerk as head of the public service, the Prime Minister, and cabinet as part of a whole-of-government approach.

[*Translation*]

Mr. Chair, members of the committee, thank you for the opportunity to provide you with this context.

We would now be pleased to answer your questions.

[*English*]

The Chair: Thank you very much.

[*Translation*]

Mr. Ayoub, you have seven minutes.

Mr. Ramez Ayoub (Thérèse-De Blainville, Lib.): Thank you, Mr. Chair.

I would like to thank the four PCO officials for being here.

It's always enlightening to see how the Privy Council Office operates.

Mr. Shea, your presentation addressed some very broad issues, and it allowed me to see that you help the Prime Minister's Office and the ministers' offices in their daily work, but I would like you to give us more details.

There are two points I would like to raise, which you touched on towards the end of your presentation.

Can you tell us more about the gender-based analysis, so we can find out what it could change? How do these tools help you give good advice for developing policies? I imagine that this kind of analysis allows you to develop policies that are in line with the philosophy of the Prime Minister and his cabinet. Can you talk a little more about this?

● (1210)

Mrs. Marian Campbell Jarvis (Assistant Secretary to the Cabinet, Social Development Policy, Privy Council Office): Thank you for your question.

Allow me to explain how we study policies.

It is normally done within the departments: They conduct analyses of their programs as well as the major trends, and then propose policies. Our role is to ensure the quality of these analyses, in collaboration with our colleagues at the Department of Finance and at the Treasury Board Secretariat.

We establish the connection with the government's main priorities, and we examine the viability and sustainability of the projects. We then advise the cabinet.

Mr. Ramez Ayoub: Allow me to interrupt you.

I would like to have some concrete examples of changes that the gender-based analysis tools have brought you. What results have you been able to achieve with these tools? Are there any? I don't know.

Mrs. Marian Campbell Jarvis: We did a gender-based analysis to advise the other departments, including Status of Women Canada, and to make sure that the consequences policies have on women and on other Canadians are properly understood. It's hard to give a concrete example, but it applies to all policies and certainly to programs. We need to include the consequences in the analysis.

Mr. Ramez Ayoub: Does it take into account minorities, or only gender-diverse people? Does it encompass visible minorities, non-visible minorities and indigenous peoples? Does this tool have a wide application, or does it solely focus on gender identity?

Mrs. Marian Campbell Jarvis: It is a gender-based analysis plus, or GBA+. The "+" sign refers to the intersectionality between people. As you mentioned, this includes indigenous peoples, but also members of minority groups, in the context of access to services within society.

Mr. Ramez Ayoub: Do you have an example of how this type of analysis would tell us if this tool is of any value? If so, could you send the analysis to the committee? That would be very informative.

I only have seven minutes, so, let's go to another subject.

I want to talk about the budget now. Do you think that you will ask for more funds for the National Inquiry into Missing and Murdered Indigenous Women and Girls in the supplementary estimates? Furthermore, when will we know if the government has agreed to extend the mandate of this inquiry?

[*English*]

Feel free to answer in English. Maybe it will go a little faster. For me, it's faster in French, but you can answer in English. It's no problem for me.

Mr. Matthew Shea: Thanks very much.

I'll handle that question.

From a budgetary perspective, $53 million was set aside for the inquiry, so the budget this year is part of that $53 million. They're entitled to any of the spending for that $53 million, regardless of fiscal year. Once the books close and we do public accounts, whatever they didn't spend last year will be made available to them this year. We would come back to this committee to ask for that in a supplementary estimates cycle.

As far as the individual reports and the work of the inquiry are concerned, it would not be appropriate for us at PCO to comment on that. Our role is arm's-length support from an administrative and financial perspective.

● (1215)

[*Translation*]

Mr. Ramez Ayoub: Okay.

I have about a minute left.

Would anyone like to ask a question?

[*English*]

Ms. Yasmin Ratansi: I have a quick question.

Can you tell me something about the innovative cities agenda that you are dealing with?

The Chair: Give a brief response, if you could. You have about 34 seconds.

Ms. Yasmin Ratansi: Be very brief, and then I'll get my turn.

Mr. Rodney Ghali (Assistant Secretary to the Cabinet, Impact and Innovation Unit, Privy Council Office): Sure, absolutely.

I think what you're referring to is the smart cities challenge that was launched last fall under the auspices of the impact Canada initiative. The smart cities challenge is basically meant to be a community-based approach to help bring new and novel thinking to how cities respond to the challenges they have from a social, economic, and environmental standpoint. It builds on a global movement around smart cities challenges to bring in technology to help augment the well-being of the citizens.

Ms. Yasmin Ratansi: Thank you.

The Chair: Thank you very much.

Mr. McCauley, you have seven minutes, please.

Mr. Kelly McCauley: Good afternoon. Thanks for being with us.

In table A2.11 in the budget, there's $1 million for a new process for federal election leadership debates. The process for this was being studied in the PROC committee, the Procedure and House Affairs committee. It's our understanding that they were still studying this and that the policy was rolled out within the budget before the study was finished.

I'm curious. Where did the $1-million budget item come from if the PROC committee hadn't finished with their study of it and with their recommendations? How did we come up with the $1-million price tag?

Mr. Matthew Shea: The budget indicates $6 million, with the majority being in 2019.

Mr. Kelly McCauley: No, table A2.11 shows $1 million for next year.

Mr. Matthew Shea: Yes, it's $1 million for 2018-19, and then $5 million for the following year.

Mr. Kelly McCauley: Yes. We're good. According to table A2.11, it's $1 million for next year. Where did we come up with that?

Mr. Matthew Shea: It's a best estimate of what the work will cost in this fiscal year, knowing that the actual methodology of what they're going to do is still being designed. The intent is that there will be a new process to ensure that federal leaders' debates are organized in the public interest and improve Canadians' knowledge of the parties, their leaders, and their policy positions.

The Minister of Democratic Institutions is coming up with policy options and will present something in the coming weeks.

Mr. Kelly McCauley: When did you first get the request to come up with a total to put into the budget?

Mr. Matthew Shea: The budgetary ask was not done through me. It was through the office that supports that minister, so I can't comment on the exact timing of when they put that together.

Mr. Kelly McCauley: However, the $1 million is in the PCO budget.

Mr. Matthew Shea: The $1 million is in the PCO budget. Following the budget announcement, it is the best estimate of what they need, based on what they knew at the time. They have not yet announced exactly what—

Mr. Kelly McCauley: So, you weren't involved in the $1 million.

Mr. Matthew Shea: I was not personally involved in the $1 million.

Mr. Kelly McCauley: Was anyone from PCO involved?

Mr. Matthew Shea: PCO bureaucrats would have been involved, those who support the minister.

Mr. Kelly McCauley: Okay, that's what I'm asking.

When did PCO first get the request for the $1 million, then?

Mr. Matthew Shea: I don't have that information.

Mr. Kelly McCauley: Would you be able to get back to the committee with that information?

Mr. Matthew Shea: I can.

I can say that it would have been part of the budget process. There is a call-out done by the Department of Finance for budget items. As part of that process, PCO would have fed into that and provided a request with a rationale of what it wants to do.

Mr. Kelly McCauley: What you're saying is that the direction to put this $1 million in came from the Minister of Democratic Institutions.

Mr. Matthew Shea: I'm saying that it came from PCO, in support of the Minister of Democratic Institutions. I can't speak to the $1 million as I was not part of that calculation.

Mr. Kelly McCauley: Can anyone else speak to this?

Mr. Matthew Shea: They would not be able to speak to it as it is not approved yet. Therefore, we don't have a plan as to the exact way the money will be spent. Until they come up with the exact plan for this initiative, the line item.... I recall that last time you asked some questions about professional services versus salaries. I can't tell you until we know what the initiative will look like. The $1 million is an up-to amount that they would have to justify through a Treasury Board submission.

Mr. Kelly McCauley: Right. However, the Treasury Board is seeking approval immediately for this $1 million without a plan, without a breakdown.

Mr. Matthew Shea: We would still need to go to the Treasury Board for a submission. What the Treasury Board has sought is a central vote. That allows us not to wait for future supplementary estimates to be able to do the work. As soon as we have that approval, we can actually implement the initiative.

Mr. Kelly McCauley: I realize that, but Parliament is going to pre-approve $1 million without a plan and without a real estimate of what the money is going to be used for.

Mr. Matthew Shea: I think your question is better posed to the Treasury Board. Your question is around vote 40—

Mr. Kelly McCauley: But it's your money.

What is the $1 million going to be used for? Can you give us a breakdown?

Mr. Matthew Shea: I can't give you a breakdown as we have not yet—

● (1220)

Mr. Kelly McCauley: Can you give us any information on it?

Mr. Matthew Shea: I do not have information on that.

Mr. Kelly McCauley: Wow, and that $1 million is not in your departmental plan, either.

Mr. Matthew Shea: That's right. That was in the budget after the departmental plan.

Mr. Kelly McCauley: How will you measure an outcome for it if it's not in your departmental plan? How will you plan an outcome for that $1 million if it's not in your departmental plan?

Mr. Matthew Shea: When we do a Treasury Board submission, we'll be asked for justification of the costs, which would be up to $1 million. I want to be clear that it could be a different amount that's lower than that. That is how it generally works with the Treasury Board. They'll challenge the cost. They'll ask for that breakdown, and part of the Treasury Board submission will ask for—

Mr. Kelly McCauley: The requirement is to have the money in your departmental plan to show the justification, but also to show the planned outcome of the $1 million. We don't have the planned outcome of that $1 million yet because it's not in your departmental plan.

Mr. Matthew Shea: It's not uncommon for departments to have items that come in after the departmental plan is done, and those items still have outcomes that must be—

Mr. Kelly McCauley: They end up in the supplementary estimates.

Mr. Matthew Shea: Outcomes still must be reported on, regardless. When we do our report at the end of the year, we will explain costs related to that, as we would do for any other costs that come up during the year. Using last year as a proxy, our amount in the main estimates was different from our final estimates because there was additional funding that was sought throughout the year, and we still have to report on that at the end of the year.

Mr. Kelly McCauley: Why wasn't it in the departmental plan?

Mr. Matthew Shea: That's because at the time of the departmental plan's writing, it was not approved in the federal budget. Therefore, it wasn't part of the plans.

Mr. Kelly McCauley: Your departmental plan came out at the same time as the estimates, which came out shortly after the budget. The budget came out before your departmental plan, but you didn't have it in your departmental plan.

Mr. Matthew Shea: The departmental plan was published around the same time, but the due date for signature—

Mr. Kelly McCauley: It came out at the same time as the estimates, after the budget.

Mr. Matthew Shea: It did. That's understood. However, the departmental plan was due to the Treasury Board sooner than that. As a result, it did not have unapproved budget items. I would imagine that would be the same for any federal department.

Mr. Kelly McCauley: I appreciate that. I'm pretty sure you're put in a difficult position, but again, we are overseeing and approving money before it even gets to the Treasury Board process. It looks as though for this $1 million dollars it's going to be the reverse of that process.

Mr. Matthew Shea: It's being sought by the Treasury Board, and it will be allocated by the Treasury Board to departments.

Mr. Kelly McCauley: In your departmental plan, you have this: "PCO will assist with building a strong middle class by...[w]orking with provinces...for the development of...policies that foster the growth of the middle class."

One of the policies, of course, is the pan-Canadian carbon tax. The Parliamentary Budget Officer says it's going to cost the economy $10 billion. The Canadian Taxpayers Federation says it would cost $2,500 per family. The University of Calgary says it would be about $1,100 per family.

You're responsible for assisting with building a strong middle class, so I put the question to you: How much will the carbon tax cost per family?

The Chair: It will be a 30-second answer.

Mr. Kelly McCauley: Well, it will be a quick answer. How much per family?

Mr. Shawn Tupper (Assistant Secretary to the Cabinet, Economic and Regional Development Policy, Privy Council Office): The Department of Environment and the Department of Natural Resources are the two lead departments in doing that work with the provinces and territories. Your question in terms of the details of that costing would be better placed to those departments.

The work we do is to ensure that we provide connectivity, that we bring departments together. The convening role we play is to make sure that all of the elements of that plan are brought into consideration so that when the government is able to work with the provinces and announce costing, all of the considerations will be part of that.

The Chair: Thank you.

Madam Malcolmson, you have seven minutes, please.

Ms. Sheila Malcolmson: A year ago, on June 8 last year, I was at this committee and I was able to ask one of your colleagues about how the Privy Council Office deals with the National Inquiry into Missing and Murdered Indigenous Women and Girls and how it administers the budget allocated to it. She said that there is an internal services cost "that's built into what we call a fee, but it's actually an internal services cost."

Can you tell us, for each fiscal year since the inquiry was launched, how much the Privy Council Office charged for the internal services cost of the inquiry?

Mr. Matthew Shea: I'll search and see whether I have that readily available. I can tell you that the books are not closed for last fiscal year, but in general the costs would be about $1 million a year for the support we provide.

Ms. Sheila Malcolmson: Did you say $1 million?

Mr. Matthew Shea: It's $1 million, plus or minus, per year. The first year was a shortened year, so it would be prorated, but that's generally what the costs are. It's within my team. We provide accommodation support, finance support, HR, IT, and information management, which is obviously quite important to what they do. We provide all those internal services to them as part of managing that $53 million, and it's really done at their request. They tell us what they need from an accommodation perspective, from an HR perspective, and whatnot, and we work with them.

That said, there are certain finance requirements in particular where we have to report. We have to do that work regardless of a request from them. Thus, the finance one is a bit more fixed compared to some of the other costs that we would incur. I'm comfortable saying it's approximately $1 million.

● (1225)

Ms. Sheila Malcolmson: Are you able to get us the specific details on that?

Mr. Matthew Shea: I can give you the details on the year that has closed. I cannot give you the details on the year that just ended, as those books have not closed yet.

Ms. Sheila Malcolmson: Fair enough. In general, it's about $1 million.

Mr. Matthew Shea: It's about $1 million over the course of the year, and you can prorate that by month.

Ms. Sheila Malcolmson: *Maclean's* magazine reported last September that out of the $5 million spent by the inquiry, $2 million was taken completely by Privy Council Office bureaucracy. I've asked the minister this several times. She's never denied it.

Do you know where that dollar figure came from? Is it possible that this much, 40% of the inquiry's spending so far, could have been consumed by PCO service fees?

Mr. Matthew Shea: I apologize; I'm not familiar with that article.

Certainly that wouldn't be the case as of today. Perhaps there was an up-front cost related to accommodation that we did on their behalf. That's the only thing I can think of. However, $2 million out of $5 million does not sound like a number I've heard before.

Ms. Sheila Malcolmson: The contribution agreements negotiated for the national and regional organizations that are representing families and survivors in the inquiry play a very significant role. Contribution agreements have been negotiated, but we've been hearing from a number of organizations that the Privy Council Office was the organization responsible for the delays in getting the money out and the hurdles in finalizing the contribution agreements.

The next round of hearings happen next week in Montreal. We're hearing, anecdotally, that some organizations have had to pull out of that process because they didn't have any confidence that their costs would be covered.

Can you comment on that timeline and whether those public reports are true?

Mr. Matthew Shea: In general, the process would be that the inquiry itself recommends an amount for each of the families. They send it to us with that recommendation. The Clerk of the Privy Council approves, and I sign the contribution agreement.

From my recollection, it's never taken more than a couple of days, at most, from the time we receive a document to the time we get approval. We move these extremely quickly. We view our role as being administrative in nature. We're not making a decision around whether we think one person should get the money over another. We're taking those recommendations and making sure that all the forms are properly filled out and that we have the information, for example, with the contribution agreement.

We've worked with the commission to develop template contribution agreements to ensure that it's expedited as much as possible. We meet every two weeks with a working group we've put together to make sure that any time there is an issue, we deal with it.

There have been times when there have been comments in the media. I'm not sure those are reflective of the views of the inquiry, either. We have a very strong relationship with them, in particular the executive director and the chief commissioner.

Ms. Sheila Malcolmson: The inquiry's interim report, from November 1 of last year, said that it takes four months to hire new staff and they have to follow PCO requirements for security clearances. They said, "This has seriously obstructed our ability to do our work in a timely way."

They also referenced delays and obstacles in opening offices, getting computers, and even purchasing computer software. There has been no comment from government on that November 1 report so far.

What's the PCO's answer to those charges?

Mr. Matthew Shea: I believe my predecessor addressed some of those at a previous committee appearance, but I would reiterate that our service standards are fairly quick when it comes to all the things you mentioned.

Accommodation is probably the most complex, because there are a number of pieces to that. If you decide to move the office from one location to another, there are leases to negotiate and more complexities there. For HR generally, we're talking about three business days, when we get all the information, to produce a letter of offer.

For financial transactions, once we have all the information, it's very quick to do the payments. For security clearance, last time I checked, the average was 15 business days for a secret security clearance. I should note that the security clearance requirements are set by the commission. They have the ability to decide that they'd rather do reliability clearance, if they feel they need to do that more quickly.

On the whole, I would say that right now our relationship with them is very positive, and our service standards are something they're quite happy with. I have not heard any of those messages in the five months I have been working with PCO.

The Chair: You have less than a minute, Madam Malcolmson.

Ms. Sheila Malcolmson: Is there any explanation for why there would be a delay between the Privy Council Office approval and either the organizations or the families actually receiving the funds you've approved?

● (1230)

Mr. Matthew Shea: I don't want to speak for the inquiry. I can't speak to what happens on their end between the time somebody requests the money and the time it's sent to us for approval. I can tell you that when we get it, we process it very quickly.

Once a contribution agreement is signed, it can take a couple weeks for the physical payment to go through the Receiver General. There are processes that exist, which is why we try to plan in advance, working closely with the inquiry.

I'd reiterate that we get things signed very quickly at PCO.

The Chair: Mr. Peterson, go ahead.

Mr. Kyle Peterson: Thank you, Mr. Chair.

Thank you, everyone, for being with us this morning.

I have some broader questions about some initiatives that the department is undertaking. There's a working group on law and policy. Can someone elaborate on that a little and inform us about what's going on there?

Mrs. Marian Campbell Jarvis: The working group on the review of laws and policies was set up to review government policies as well as operational practices and procedures, taking into account the United Nations Declaration on the Rights of Indigenous Peoples, section 35 of the charter, and the overall reconciliation agenda. The working group is made up of about six ministers, and they've had a few different phases of work. They've done extensive engagement and consultations with the national indigenous organizations and indigenous youth. They've had about 25 different meetings reviewing different laws and policies that exist or are being considered.

Mr. Kyle Peterson: Okay, thank you for that.

What's the progress on the impact Canada initiative, generally speaking? Are we seeing positive outcomes? Is this meant to be an interim initiative, or is it meant to be permanent?

Mr. Rodney Ghali: The impact Canada initiative was launched in budget 2017 as a whole-of-government approach to accelerate what we call outcomes-based funding approaches. These are approaches that governments around the world have used with respect to public service spending. They orient the spending toward outcomes, as opposed to activities and outputs.

We launched the smart cities challenge last fall, which was one of the signature programs announced in budget 2017. The clean tech challenge was also announced in budget 2017. There are going to be five separate challenges being launched in the clean tech space over the next several months, the first one being this week. Those are the two main initiatives.

We're also working in areas such as indigenous housing, growing perishable foods in the north, addressing Canada's opioid crisis, and looking at marine conservation. These are initiatives we're working on in close collaboration with all the responsible departments and agencies, as well as outside stakeholders. The first tranche of initiatives, 10 or so in total, will unfold over the next 12 months.

As we test out these new partnership models, these new financing models, we will be scaling up across all discretionary grants and contributions funding. The idea is that at some point the initiative should come to an end, once we see success in it, but that will take time.

Mr. Kyle Peterson: Thank you for that.

I want to ask a question that might be a bit technical in nature. PCO is there to offer advice to cabinet. According to the departmental plan, one of the two indicators used for this result is the "[p]ercentage of Cabinet documents distributed to Ministers that meet the Privy Council Office's guidance on drafting Cabinet documents".

How was that guidance arrived at, and why only 50%? Is that an interim goal, or would 100% be better? Can you elaborate on the process that went into that?

Mrs. Marian Campbell Jarvis: Related to the gender-based analysis question, but not exclusively, there is a structure and a format for developing and writing cabinet proposals, the memoranda to cabinet. PCO has developed a due diligence tool that supports the analysis and the thinking around bringing forward memoranda to cabinet. For example, there is gender-based analysis and ensuring that gender and other intersectional features, such as accessibility issues or impact on visible minorities, are also incorporated into that analysis.

Another feature would be looking at treaty rights and whether they have been taken into account, as well as results in performance management frameworks and funding. Really, it's a checklist, if you will, for the good conduct of policy analysis in bringing forward MPs' memoranda to cabinet.

● (1235)

Mr. Kyle Peterson: The target is 50%. Why is the target not greater?

Mrs. Marian Campbell Jarvis: When we bring in a new tool, there's always a period of adjustment. There are also memoranda to cabinet that have already been developed and are in the queue, and we are bringing forward other proposals as they come. It's really a transitional measure.

Mr. Kyle Peterson: Could that target increase as we go further in time?

Mrs. Marian Campbell Jarvis: It's possible.

Mr. Kyle Peterson: I want to talk about the department in general. How are we on targets in the plan? Do you see any growth in human resources in the future and other capital investments that might be necessary as more programs are developed and matured throughout the term of the PCO? Are there any big changes on the horizon?

Mr. Matthew Shea: There are no big changes on the horizon. What's in the plan is what we plan to spend this year, both from an FTE and dollar perspective. Budget 2016 gave us a significant amount of money to do some infrastructure investments, both from an IT and physical assets perspective. Many of those projects are finished, and some are continuing for another year or two. A lot of work has been done in the area of security, in particular, but also IT and our ability to meet the needs of ministers in today's day and age. That is not something that will change.

We will always adapt to the priorities of the day, and that may mean changes, not necessarily to the FTE size but maybe to the mix of FTEs, the skill sets we look for, that type of thing. We try to be a nimble organization, to the extent that we can.

Mr. Kyle Peterson: Some of those changes wouldn't necessarily have an impact on the budget numbers.

Mr. Matthew Shea: No, it's a plan internally for us, to make sure we're planning ahead as to what our needs are today and for the future.

Mr. Kyle Peterson: Are you able to attract and retain human resources? Are there any issues on that front?

Mr. Matthew Shea: We don't have an issue with attracting individuals. PCO is an employer of choice within the federal government. Our turnover is probably higher than that of some other departments, partly by the nature of what we do. It is certainly a dynamic organization. We hire some of the best and brightest in government.

Mr. Kyle Peterson: Thank you.

The Chair: Colleagues, as I mentioned earlier, we have a bit of committee business to discuss, so I would like to suspend around 12:50, which will give us time for two more five-minute interventions.

Mr. Kelly, go ahead.

Mr. Pat Kelly: Thank you.

Thank you for being here today.

Part of your plan is to support an open and accountable government by providing regular updates on the mandate tracker website. One of the items characterized as "underway with challenges" is from the finance minister's mandate letter to balance the budget by 2019-20. That's "underway with challenges".

Can you tell me when the budget will be balanced?

Mr. Rodney Ghali: I would respectfully defer that question, obviously, to the Minister of Finance.

Mr. Pat Kelly: But you said that it's under way.

Mr. Rodney Ghali: Yes, as you point out, the mandate letter tracker is an instrument that we use to publicly communicate progress on the government's over 350 mandate letter commitments and individual commitments. Their progress would best be addressed to the departments for which they are responsible.

Mr. Pat Kelly: You suggest that I ask the Minister of Finance.

Mr. Rodney Ghali: We are not in a position to comment on the actual—

Mr. Pat Kelly: The Minister of Finance has been asked that question literally dozens of times, maybe hundreds of times, in the House of Commons and at committee. He's been asked repeatedly, and has never even acknowledged that it is part of his mandate. He won't say the words. He just ignores the questions whenever he is asked.

Is it appropriate to still have that "underway with challenges"? Perhaps you should have a category of "abandoned". That would be more transparent than saying that something is under way when clearly it is not under way. There has been no recognition by Finance that this, in fact, is part of the mandate, and something that is under way.

Is it open and transparent to say that balancing the budget is under way if the minister will not answer the question and doesn't acknowledge that it's part of his mandate?

● (1240)

Mr. Rodney Ghali: I appreciate the question, but I'm not best placed to respond to that.

Mr. Pat Kelly: I'll cede the rest of my time to Mr. McCauley.

Mr. Kelly McCauley: I have a couple of quick questions. Following up on that, who updates the website, then? It's in your departmental plan, and it's part of your work to provide an open and accountable government. Does Finance say, "Enter this"?

Mr. Rodney Ghali: It's a whole-of-government approach in terms of—

Mr. Kelly McCauley: That's not my question. Who specifically said to put the budget being balanced as "underway with challenges"?

Mr. Rodney Ghali: It's the Department of Finance that provides the information that we load on the website.

Mr. Kelly McCauley: Perfect, that was my question.

Do you not feel bad that you're given wrong information? This is your website, and it reflects on your department. Do you not feel awkward, putting up what's basically a lie?

Mr. Rodney Ghali: We provide the best information we have to Canadians, which is supplied from departments and agencies.

Mr. Kelly McCauley: I have a couple of quick questions.

On page 17 of your DP, you note that there is going to be a future decrease in funding for GIC appointments. We've been falling far behind on GIC appointments. Do you see us being caught up by that point, which allows you to decrease the funding?

Mr. Matthew Shea: Let me just find that.

Mr. Kelly McCauley: Okay. While you're finding that, let me go to another question, because we're short on time.

On page 8 of your DP, there's a comment that PCO "supports the development and maintenance of a high performing Public Service" and fostering a healthy workplace. This committee did an incredible job on updating the whistle-blower act, and there was unanimous agreement on the recommendations, on which the government has not followed through.

How do you feel when your mandate, stated right in your own departmental plan, is "the development and maintenance of a high performing Public Service" and fostering a healthy workplace, when we've done nothing to update the whistle-blower act? It prevents abuse and harassment of public servants, which, if you've read the various departments' staffing surveys, ranks very high as an issue, as high as 45% or 55%.

The Chair: Once again, you have very little time to respond.

Mr. Kelly McCauley: Answer the last one. Forget about page 17. Answer the whistle-blower issue.

Mr. Matthew Shea: Your question relates to the public service employee survey and the harassment numbers in general.

Mr. Kelly McCauley: No, your mandate, your DP, talks about fostering a healthy workplace, and the other issue about high performance. How does that reflect the fact that the government hasn't acted on the whistle-blower recommendations to protect public servants?

Mr. Matthew Shea: I'll focus on our role in fostering a high-performing workforce and—

The Chair: Please do so very quickly.

Mr. Matthew Shea: The clerk, as head of the public service, has taken actions around harassment. He has put together a DM task force that's looking at ways we can improve the workplace. In addition, he has asked all deputy heads to make sure that their internal processes are up to date and that employees know what avenues are available to them when they have a complaint, when they're facing those issues. Recently, he gave an interview and talked about this being one of his top priorities.

Mr. Kelly McCauley: We're probably out of time. I will only say this. If you really wish to further foster a healthy workplace, follow up on the whistle-blower issue. Thank you.

The Chair: We'll go Madam Ratansi for the final intervention of five minutes.

Ms. Yasmin Ratansi: Thank you very much. I'm going to continue in that vein.

The impact Canada initiative is trying to create a renewal and modernization of the public service. You talked about a commitment to the advancement of a healthy workplace and promotion of diversity. Could you explain that a bit more? When there are just words, we do not know exactly what you are doing.

I'll give you my second question now so that you have enough time to answer. Your departmental plan talks about "[e]nsuring that all proposals to the Cabinet and its Committees are comprehensive and have included considerations for Gender-based Analysis Plus". As we look at the public service, we do not see too much diversity in the upper echelons, and we do not see too many women.

Could you answer those questions? It's five minutes, and now you have the time to answer both my questions. Thank you.

Mr. Rodney Ghali: I'll start by responding to the first part of your questions, about the impact Canada initiative and how that relates to the renewal and transformation of the public service with respect to bringing in new tools, approaches, and skill sets. Within my organization, we're undertaking an innovative staffing model where we're looking at targeting talent from the outside in very specific areas that we feel are under-serviced within the current public service.

We are looking at new tools and approaches, such as behavioural insight, innovative financing, impact measurement, and data science. These are all tools and approaches that are needed within a modern workforce to execute the agenda of the day and, certainly, to respond to the needs of the citizens. We have been very aggressively recruiting over the last several months to bring these skill sets within the Privy Council Office, but also to deploy them elsewhere in departments and agencies that are delivering on the programs and services directly to Canadians.

That's all part and parcel of a whole-of-government approach, again, in how we are up-skilling the public service and bringing in those innovative ideas.

● (1245)

Ms. Yasmin Ratansi: What about harassment and bullying? I think I'm taking it from there. That's a big problem within the public service. How are you addressing that?

Mr. Rodney Ghali: Do you want to finish that?

Mr. Matthew Shea: I think it's less related to the impact Canada initiative and more to the public service leadership. As I started to say, there's a DM committee that's working on this. There's a bill before the House to address some of the harassment issues that exist and give new tools to individuals who feel harassed. This is put within people's performance agreements to help create a healthy work environment.

Across the government, we've seen many departments investing money in training and ensuring that this is a priority of the government. We hear the clerk talk about it often, whether it be in the clerk's report on the public service or in interviews he does. Recently, a number of us attended an ADM forum, and the clerk talked about bullying and the importance of our trying to root it out of the public service. It's something the public service is seized with and focused on, and there is work under way to advance that.

Ms. Yasmin Ratansi: Hopefully the whistle-blower legislation will be implemented and explained to people.

From a gender perspective, what sort of tools are you giving to departments? What is your role in ensuring that the gender-based analysis is done properly? Everybody can talk about gender-based analysis, but there are things that people don't understand.

Mrs. Marian Campbell Jarvis: The Privy Council Office has a role in two main areas. The first is providing the framework and guidance for developing memoranda to cabinet, which include a gender-based analysis component. The Privy Council Office, working with Status of Women, has informed how that gender-based analysis should be undertaken.

In applying its challenge function to the policy development process, the Privy Council Office also provides guidance and questions to departments as that policy development analysis is under way. At the Privy Council Office, we have a very high rate of completion on gender-based analysis training.

Ms. Yasmin Ratansi: Okay, thanks.

The Chair: Thank you very much.

Ladies and gentlemen, thank you all for being here. We appreciate your attendance. Should any of our committee members have further questions, I assume that you would welcome them and respond as quickly as possible to our clerk.

Colleagues, we will now suspend for just a couple of moments, and then we'll go in camera for some brief committee business.

[*Proceedings continue in camera*]

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